

§ 68.01-11

§ 68.01-11 Privileges conferred—documentation of vessel.

The special citizenship status created by the Act entitles the 883-1 corporation to document certain vessels for certain limited purposes:

(a) An 883-1 corporation may document under the Act only vessels which are qualified for employment in the coastwise trade and which are either non-self propelled or, if self-propelled, are of less than 500 gross tons.

(b) A vessel owned by an 883-1 corporation and meeting the criteria in paragraph (a) of this section may be documented only for use in the coastwise trade subject to the restrictions in § 68.01-15.

(c) Section 68.01-17 contains details concerning the documentation of vessels by an 883-1 corporation.

§ 68.01-13 Privileges conferred—operation of vessels.

(a) The special citizenship status created by the Act entitles the 883-1 corporation to operate, subject to the restrictions in § 68.01-15, vessels which are qualified to engage in the coastwise trade and are exempt from documentation. (See § 67.9 for classes of exempt vessels.)

(b) Vessels, documented or exempt from documentation, employed subject to the Act may carry passengers and merchandise of the 883-1 corporation owning such vessels only between points in the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to transport merchandise or passengers for hire in the coastwise trade as a service for a duly qualified parent or subsidiary corporation as defined in § 68.01-1.

(d) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to demise or bareboat charter such vessels

46 CFR Ch. I (10-1-03 Edition)

to common or contract carriers subject to the restrictions in § 68.01-15(c).

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002]

§ 68.01-15 Restrictions.

(a) Vessels employed subject to the Act are entitled to operation only in the coastwise trade and only to the extent described in paragraphs (b) and/or (c) of this section.

(b) A vessel owned by an 883-1 corporation may engage in coastwise transportation for hire as a service to a parent or subsidiary corporation as defined in § 68.01-1. Such transportation for hire must be between points of the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) A vessel owned by an 883-1 corporation may be operated under demise or bareboat charter to a common or a contract carrier subject to 49 U.S.C. Chapter 101 if the corporation is a U.S. citizen as defined in 46 U.S.C. App. 802.

(1) Such common or contract carrier may not be connected either directly or indirectly by ownership or control with the 883-1 corporation.

(2) The demise or bareboat charter must be at prevailing rates.

(3) The vessels under a demise or bareboat charter may not be used in non-contiguous trade.

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by CGD 95-028, 62 FR 51203, Sept. 30, 1997]

§ 68.01-17 Application by an 883-1 corporation to document a vessel.

(a) An application by an 883-1 corporation to document a vessel must comply with the applicable requirements in subparts A, D, E, F, G, H, I, K, and L of part 67 of this chapter.

(b) An application by an 883-1 corporation to document a vessel must include a copy of the Certificate of Compliance issued under § 68.01-5.

[CGD 95-014, 60 FR 31606, June 15, 1995]

Coast Guard, Dept. of Homeland Security

Pt. 68, Subpt. 68.01, App. B

APPENDIX A TO SUBPART 68.01 OF PART 68—OATH FOR QUALIFICATION OF CORPORATION AS A CITIZEN OF THE UNITED STATES UNDER THE ACT OF SEPTEMBER 2, 1958 (46 U.S.C. 883-1)

Department of Homeland Security, U.S. Coast Guard

Oath for Qualification of Corporation as a Citizen of the United States Under the Act of September 2, 1958 (46 U.S.C. 883-1)

Corporation:

Name _____
Address¹ _____
State where incorporated _____

Affiant:

Name _____
Address _____
Company _____
Title or capacity _____

I, the affiant named above, swear that I am legally authorized to make this oath on behalf of the corporation, that a majority of the officers and directors of the above-named corporation are citizens of the United States, as shown by the attached listing incorporated in and made a part of this oath which truly and correctly names all such officers and directors, giving the home address and citizenship of each; that not less than 90 percent of the employees of the corporation are residents of the United States; that the corporation is engaged primarily in a manufacturing or mineral industry in the United States or in a territory, district or possession thereof; that the aggregate book value of the vessels owned by the corporation does not exceed 10 percent of the aggregate book value of the assets of the corporation; and that the corporation purchases or produces in the United States, its territories or possessions not less than 75 percent of the raw materials used or sold in its operation.²

The above named corporation fails to qualify as a citizen within the meaning of §67.39(c) by reason of:³

____ Non-citizen President
____ Non-citizen Chairman of Board
____ Failure to meet quorum requirements
____ Failure to meet stock ownership requirements
Signature _____

Subscribed and sworn to before me on the day and year shown _____

¹Show principal place of business of corporation.

²Attach the required list of the names of all officers and directors of the corporation, giving the home address and citizenship of each.

³Check appropriate line or lines.

(Notary Public)

Date _____
[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002; USCG-2003-14505, 68 FR 9535, Feb. 28, 2003]

APPENDIX B TO SUBPART 68.01 OF PART 68—OATH OF PARENT OR SUBSIDIARY CORPORATION ACT OF SEPTEMBER 2, 1958 (46 U.S.C. 883-1)

Department of Homeland Security, U.S. Coast Guard

Oath of Parent or Subsidiary Corporation, Act of September 2, 1958 (46 U.S.C. 883-1)

Corporation:

Name _____
Address _____
State of incorporation _____
Status (Parent)¹ _____ (Subsidiary)² _____

Name of associated corporation _____
Address _____
State where incorporated _____

Affiant:

Name _____
Address _____
Company _____
Title or capacity _____

I, the affiant named above, swear that the corporation first named herein is the (parent)¹ (subsidiary)² of the associated corporation named, that I am the duly authorized officer or agent of the corporation first named, and that the associated corporation has previously established that it is a citizen within the meaning of the Act of September 2, 1958 (46 U.S.C. 883-1).

Signature _____
Subscribed and sworn to before me on the day and year shown _____

¹A "parent corporation" for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which controls (directly or indirectly) at least 50 percent of the voting stock of another corporation. Strike out the inapplicable term.

²A "subsidiary corporation" for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which has not less than 50 percent of its voting stock controlled (directly or indirectly) by another corporation. Strike out the inapplicable term.

§ 68.05-1

(Notary Public)

[CGD 80-107,47 FR 27511, June 24, 1982, as amended by USCG-2003-14505, 68 FR 9535, Feb. 28, 2003]

Subpart 68.03—[Reserved for Regulation, as Necessary, of Vessels Documented Under the Act of August 9, 1954]

Subpart 68.05—Documentation of Certain Vessels for Oil Spill Cleanup

SOURCE: CGD 90-055, 57 FR 7642, Mar. 3, 1992, unless otherwise noted.

§ 68.05-1 Purpose and scope.

This Subpart contains citizen ownership requirements and procedures to allow documentation of vessels which do not meet the requirements of part 67 of this chapter. The requirements are for the limited purposes of training for, implementing, and supporting oil spill cleanup operations.

§ 68.05-3 Definitions for purposes of this subpart.

Certificate of Documentation means form CG-1270.

Citizen means a citizen as described in part 67 of this chapter.

Exclusive Economic Zone or *EEZ* means the exclusive economic zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983, including the ocean waters of the areas referred to as "eastern special areas" in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990.

Not-for-profit oil spill response cooperative means a corporation, partnership, association, trust, joint venture, or other entity established under the laws of the United States, or of a State, with a not-for-profit status and for the limited purposes of training for, carrying out, and supporting oil spill cleanup operations or related research activities.

46 CFR Ch. I (10-1-03 Edition)

§ 68.05-5 Citizenship requirements for limited coastwise endorsement.

(a) Notwithstanding the citizenship requirements set out in part 67 of this chapter, a Certificate of Documentation with a coastwise endorsement for the limited purposes provided in § 68.05-9 may be issued to a vessel owned by—

(1) A not-for-profit oil spill response cooperative if the vessel meets the requirements of paragraph (b) of this section; or

(2) A member or members of a not-for-profit oil spill response cooperative if the vessel meets the requirements of paragraphs (b) and (c) of this section.

(b) The vessel must be at least 50 percent owned by one or more of the following entities:

(1) An individual who is a native-born, naturalized or derivative citizen of the United States or otherwise qualifies as a United States citizen.

(2) A corporation incorporated under the laws of the United States or of a State where—

(i) The president and, if the president is not the chief executive officer, the chief executive officer, by whatever title, is a citizen;

(ii) The chairman of the board of directors is a citizen; and

(iii) No more of the directors are non-citizens than a minority of the number necessary to constitute a quorum.

(3) A partnership where all the general partners are citizens and at least 50 percent of the equity interest is owned by citizens.

(4) An association or joint venture where all the members are citizens.

(5) A trust where all the trustees and all the beneficiaries with an enforceable interest in the trust are citizens.

(c) The vessel must be owned by a member or members of a not-for-profit oil spill response cooperative who dedicate the vessel to the use of a not-for-profit oil spill response cooperative.

(d) A vessel which meets the criteria of this section is considered to be owned exclusively by citizens of the United States for the purposes of subsequent transfer and documentation under part 67 of this chapter.